

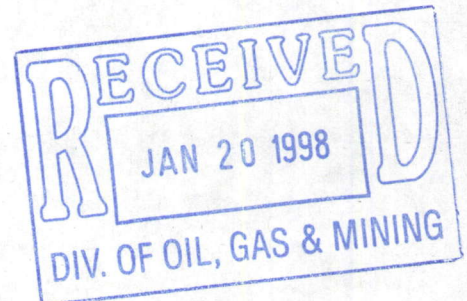
UMC

UINTAH MOUNTAIN COPPER COMPANY
341 SOUTH MAIN STREET
SUITE 401
SALT LAKE CITY, UTAH 84111
(801) 530-1045

5/013/002

December 4, 1997

Ashley National Forest
Duchesne Ranger District
P.O. Box 981
Duchesne, Utah 84021



Attn: Joseph R. Bistrski, District Ranger

Re: **Submittal of Meeting Minutes and POO Addendum
Sunshine Quartz/Hematite Claims Project**

Attached are the minutes from our meeting on November 10, 1997 and the addendum to the Plan of Operations for continuing Phase 1 development activities. Signature blocks have been included for concurrence on each document. Please review the information and contact me if you have any questions. If the documents are as anticipated, please sign both and send a copy to the attention of Mike Kandarlis at the above noted address in Salt Lake City within 5 working days.

Please feel free to contact me in Arizona if you have any questions (602-236-8613).

Sincerely,

Peter Kandarlis, President
Uintah Mountain Copper Company

cc: Mike Kandarlis
Pam Cha
John Parsons



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341 SOUTH MAIN STREET
SUITE 401
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(801) 530-1045

MINUTES

UMCC - USFS MEETING OF 11/10/97

The meeting began at 10:30 a.m. on November 10, 1997 at the Uintah Mountain Copper Company Office at 341 South Main #401, Salt Lake City, Utah 84111. Those present at the meeting were Peter M. Kandaris, President of UMCC; Mike Kandaris, Vice President of UMCC; Pamela M. Cha, Consultant to UMCC; Joseph R. Bistryski, District Ranger of Ashley National Forest; Chauncie Todd, Ranger Ashley National Forest; and Clarice, Ranger Ashley National Forest. It was agreed by all that were present that a representative from Uintah Mountain Copper Company would take the minutes and that the minutes would serve as a written record of the meeting.

The first order of business was to review the 1997 development work. Peter explained what UMCC had done. He said that UMCC had excavated more than 100 tons of ore, but had only removed 45 tons. UMCC felt like it was imperative to both the USFS and UMCC that UMCC complete the reclamation work. To that end UMCC put in the gabions and used the balance of the ore as a source for backfill. The hauling of the ore was easier than expected and there was no significant erosion on the road. He went on to explain that the ore value quality was there. Joe stated that the gabions appeared just as he assumed they would. He had not been up since they had been seeded. Mike reported that he and Kelly Bird had spread approved USFS mixed seed on the gabions. Joe then asked if UMCC had built an additional spur road. Peter said no, that had been put in with Forest Service approval a few years ago during the drilling program. There had been no additions to the original road. Chauncie confirmed this. Everyone seemed satisfied with last year's progress.

The second order of business was to discuss the 1998 proposed development work. Before we discussed this specifically, the issue of both the road permit and the camp permit were handled. Although technically the permits had expired at an earlier date, UMCC had been billed by the US Forest Service and paid for the permits through December 31, 1998. Rather than reissue the permits, Joe recommended that the road and the camp site become part of UMCC's continuing plan of operation. Peter agreed that this was an acceptable solution and will send an amended plan of operation to Joe. In that plan he will include detailed descriptions of both the road and camp site.

We then moved on to revising the present plan of operation to meet UMCC's and the USFS's needs. The USFS explained that there are a lot of eyes on us. Further, they stated that it would be impossible to mine ore that wasn't already approved in our plan of operation. Peter explained that UMCC had no intention of mining ore that was not part of what was already approved. As he had explained earlier, UMCC had only been able to

Action Items:

1. Amend the Plan of Operations to include use of access road and campsite. Include modified Phase 1 work needed for 1998 development operations.

Responsibility: UMCC

Completion by: Early December 1997

2. Provide UMCC with bonding information; include reclamation bond amount for 1998 work (short-term), reclamation bond amount for long-term items (road, camp), and list of approved reclamation bonding companies (preferably companies in the Western US).

Responsibility: US Forest Service

Completion by: Mid January 1998

3. Provide UMCC a schedule for environmental assessment work (EA) for Phase 2 and 3 claims development; include approximate completion dates and suggestions on how UMCC could help expedite the process.

Responsibility: US Forest Service

Completion by: Mid January 1998

4. Prepare minutes for meeting; include signature block for concurrence by both UMCC and the US Forest Service.

Responsibility: UMCC

Completion by: As soon as possible.

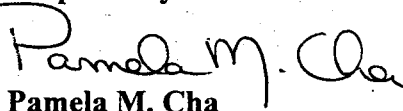
remove 45 tons. UMCC was approved to removed 100 tons. He believed that the slower approach was better for all concerned. By only removing 45 tons, UMCC can study how the gabions hold up during the winter. Further, there is more ore behind the gabions. This ore could be removed without disturbing last year's gabion work and still remain within the scope of the already approved Plan of Operation. It was agreed by both parties that Peter would submit an explanation to Joe, but that there was no reason that UMCC could not take out the rest of the ore that had already been approved for removal. Further if there was a need for additional drilling, the USFS saw no barriers to doing it.

The Forest Service then discussed the bonding. Pam explained that the telephone numbers given to her by the USFS had been disconnected. She went on to say that she had received no information from Chauncie on the amount of the bond for 1997. He explained that he had some unexpected complications. She said that UMCC felt that the reclamation work was essential for the 1997 year, so they completed their obligation without a bond in place. She stated that she does not want this to happen again. She explained that she needs to know what the bond amount will be. Further, she requires a list of all USFS approved Bonding Companies. She was assured that she would receive all of the information by mid January.

The final order of business was a discussion regarding future development work - Phases 2 & 3. Peter expressed his concern that no work had been done on the E.A. Joe explained that some work had been initiated. He said that because of the Dry Fork Chasm, they did not have the manpower in 1997 to do all of the field work necessary. He said he could not make any guarantees for 1998. Peter responded that it was imperative to UMCC that the E.A. be completed in 1998. He suggested that the USFS put together a schedule for the E.A. He also asked that they give approximate completion dates and any recommendations/suggestions the USFS would have for UMCC, especially in the area of expediting the E.A. He stated that UMCC needed a workable schedule so that there would be no misunderstandings between UMCC and the USFS. During the discussion it was decided that much of the work that UMCC was doing for the Securities and Exchange Commission, specifically the 15C-2-11 would help with the E.A. in that it would verify the economical validity of the ore body. It was decided that the USFS would send the schedule of work and any other information on the E.A. to UMCC by mid January.

Both UMCC and the USFS were pleased with the progress made at this meeting and it was adjourned at 11:45 a.m.

Respectfully submitted


Pamela M. Cha

ACCEPTED BY:


Joseph R. Bistrski, USFS


Peter M. Kandaris, UMCC